

**THE ROSEN LAW FIRM, P.A.**  
Phillip Kim, Esq. (PK 9384)  
pkim@rosenlegal.com  
Laurence M. Rosen, Esq. (LR 5733)  
lrosen@rosenlegal.com  
Kevin Chan (KC 0228)  
kchan@rosenlegal.com  
275 Madison Avenue, 34th Floor  
New York, New York 10016  
Telephone: (212) 686-1060  
Fax: (212) 202-3827

Counsel for Plaintiff

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

SUNGWAN YANG, Individually and on  
Behalf of All Others Similarly Situated,

Plaintiff,

v.

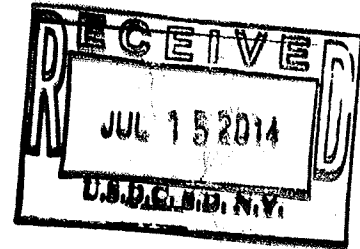
JIE HAN, TAYLOR ZHANG, and CHINA  
XD PLASTICS COMPANY LIMITED,

Defendants.

14 CV

5308

JUDGE DANIELS



) Case No.:

) CLASS ACTION COMPLAINT FOR  
) VIOLATIONS OF FEDERAL SECURITIES  
) LAWS

) JURY TRIAL DEMANDED  
)  
)  
)

Plaintiff, Sungwan Yang, individually and on behalf of all other persons similarly situated, by his undersigned attorneys, for his complaint against Defendants, alleges the following based upon personal knowledge as to himself and his own acts, and information and belief as to all other matters, based upon, inter alia, the investigation conducted by and through his attorneys, which included, among other things, a review of the Defendants' public documents, United States Securities and Exchange Commission ("SEC") filings, People's Republic of China State Administration of Industry and Commerce ("SAIC") filings, and

information readily obtainable on the Internet. Plaintiff believes that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

### **NATURE OF THE ACTION**

1. This is a federal securities class action on behalf of a class consisting of all persons other than Defendants who purchased the common stock of China XD Plastics Company Limited (“China XD Plastics” or the “Company”) between August 12, 2009 and July 10, 2014 (the “Class Period”), inclusive, seeking to recover damages caused by Defendants’ violations of federal securities laws and pursue remedies under the Securities Exchange Act of 1934 (the “Exchange Act”).

### **JURISDICTION AND VENUE**

2. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act, (15 U.S.C. §78j (b) and 78t (a)), and Rule 10b-5 promulgated thereunder (17 C.F.R. §240.10b-5).

3. This Court has jurisdiction over the subject matter of this action pursuant to §27 of the Exchange Act (15 U.S.C. §78aa) and 28 U.S.C. § 1331.

4. Venue is proper in this Judicial District pursuant to §27 of the Exchange Act, 15 U.S.C. § 78aa and 28 U.S.C. § 1391(b) as a substantial part of the conduct complained of herein occurred in this District.

5. In connection with the acts, conduct and other wrongs alleged in this Complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails, interstate telephone communications and the facilities of the national securities exchange.

### **PARTIES**

6. Plaintiff, as set forth in the accompanying certification, incorporated by reference herein, purchased China XD Plastics common stock at artificially inflated prices during the Class Period and has been damaged thereby.

7. Defendant China XD Plastics is a Nevada Corporation with its principal executive offices in No. 9 Qinling Road, Yingbin Road Centralized Industrial Park, Harbin Development Zone, Heilongjiang, P.R. China and an office in New York, New York. Through its subsidiaries, Defendant China XD Plastics purportedly engaged in the research, development, manufacture, and sale of modified and engineering plastics products primarily for use in the fabrication of automobile parts and components in the People's Republic of China ("PRC").

8. Defendant Jie Han ("Han") has been, at all relevant times, the Chairman and Chief Executive Officer ("CEO") of the Company. He previously served as Chief Financial Officer ("CFO") until May 1, 2009.

9. Defendant Taylor Zhang has been the CFO of the Company since replacing Defendant Han on May 1, 2009.

#### **PLAINTIFF'S CLASS ACTION ALLEGATIONS**

10. Plaintiff brings this action as a class action pursuant to Federal Rules of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all persons who purchased the common stock of China XD Plastics during the Class Period and who were damaged thereby. Excluded from the Class are Defendants, the officers and directors of the Company at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

11. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, China XD Plastics' common stock was actively traded on the OTC Bulletin Board and the NASDAQ Global Market. While the exact number of

Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are at least hundreds of members in the proposed Class. Members of the Class may be identified from records maintained by China XD Plastics or its transfer agent and may be notified of the pendency of this action by mail, using a form of notice customarily used in securities class actions.

12. Plaintiff's claims are typical of the claims of the members of the Class, as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

13. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

14. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the business and operations of China XD Plastics; and

(c) to what extent the members of the Class have sustained damages, and the proper measure of damages.

15. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and

burden of individual litigation make it impossible for members of the Class to redress individually the wrongs done to them. There will be no difficulty in the management of this action as a class action.

### **SUBSTANTIVE ALLEGATIONS**

16. The Class Period being on August 12, 2009 when China XD Plastics filed a materially false and misleading Form 10-Q for the second quarter ended June 30, 2009 with the SEC.

17. The 10-Q was signed by Defendant Han. Accompanying the 10-Q was separately executed Sarbanes-Oxley Act of 2002 (“SOX”) certifications of Defendant Han falsely attesting to the accuracy of the 10-Q.

18. On April 14, 2010, China XD Plastics filed a materially false and misleading Form 10-K for the year ended December 31, 2009 (2009 10-K) with the SEC.

19. The 2009 10-K reported \$135,745,329 in revenue, \$4,023,266 in net income, and \$67,249 in provision for income taxes for the year.

20. The 2009 10-K was signed by Defendants Han and Zhang. Accompanying the 2009 10-K was separately executed Sarbanes-Oxley Act of 2002 (“SOX”) certifications of Defendants Han and Zhang falsely attesting to the accuracy of the 2009 10-K.

21. On March 31, 2011, China XD Plastics filed a materially false and misleading Form 10-K for the year ended December 31, 2010 (2010 10-K) with the SEC.

22. The 2010 10-K reported \$249,822,934 in revenue and \$28,836,789 in net income for the year.

23. The 2010 10-K was signed by Defendants Han and Zhang. Accompanying the 2010 10-K was separately executed Sarbanes-Oxley Act of 2002 (“SOX”) certifications of Defendants Han and Zhang falsely attesting to the accuracy of the 2010 10-K.

24. On March 26, 2012, China XD Plastics filed a materially false and misleading Form 10-K for the year ended December 31, 2011 (2011 10-K) with the SEC.

25. The 2011 10-K reported \$381,624,567 in revenue and \$60,518,619 in net income for the year.

26. The 2011 10-K was signed by Defendants Han and Zhang. Accompanying the 2011 10-K was separately executed Sarbanes-Oxley Act of 2002 (“SOX”) certifications of Defendants Han and Zhang falsely attesting to the accuracy of the 2011 10-K.

27. On March 25, 2013, China XD Plastics filed a materially false and misleading Form 10-K for the year ended December 31, 2012 (2012 10-K) with the SEC.

28. The 2012 10-K reported \$599,818,968 in revenue and \$85,867,747 in net income for the year.

29. The 2012 10-K was signed by Defendants Han and Zhang. Accompanying the 2012 10-K was separately executed Sarbanes-Oxley Act of 2002 (“SOX”) certifications of Defendants Han and Zhang falsely attesting to the accuracy of the 2012 10-K.

30. On March 26, 2014, China XD Plastics filed a materially false and misleading Form 10-K for the year ended December 31, 2013 (2013 10-K) with the SEC.

31. The 2013 10-K reported \$1,050,816,364 in revenue and \$133,838,845 in net income for the year.

32. The 2013 10-K was signed by Defendants Han and Zhang. Accompanying the 2013 10-K was separately executed Sarbanes-Oxley Act of 2002 (“SOX”) certifications of Defendants Han and Zhang falsely attesting to the accuracy of the 2012 10-K.

### **The Truth Emerges**

33. On July 10, 2014, Bleecker Street Research issued a report on China XD Plastics entitled “China XD Plastics: When The Numbers Don't Add Up, There's Over 80% Downside.”

The report raised serious issues with the quality of the Company's financial statements and operations.

34. In particular, the Bleecker Street Research report highlighted the enormous discrepancies of the Company's reported revenue and net income between its filings with the SEC and the SAIC with the following chart:

**Chinese SAIC vs US SEC Financials (US\$ million \*)**

<b>SAIC Filings</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Revenue</b>	63.4	110.9	196.3
<b>Net Income</b>	0.1	0.5	3.9
<b>Taxes Paid</b>	0.1	0.2	0.4
<b>SEC Filings</b>			
<b>Revenue</b>	75.7	135.7	249.8
<b>Net Income</b>	8.2	4.0	28.8
<b>Taxes Paid</b>	0.04	0.07	0.3

Source: The Skeptical Investor

35. The Bleecker Street Research report summarized the enormous discrepancies, stating in relevant parts:

Here is the percentage difference between SAIC and SEC filings from 2008 to 2010.

<b>Revenue</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
SAIC Filings	63.4	110.9	196.3
SEC Filings	75.7	135.7	249.8
<b>% Difference</b>	<b>84%</b>	<b>82%</b>	<b>79%</b>
<b>Net Income</b>			
SAIC Filings	0.1	0.5	3.9
SEC Filings	8.2	4	28.8
<b>% Difference</b>	<b>1%</b>	<b>13%</b>	<b>14%</b>

Source: My analysis

36. The Bleecker Street Research report applied the same over reporting discount rate to the Company's reported revenue and net income to the SEC, stating in relevant parts:

	2011	2012	2013
<b>CXDC (\$)</b>			
Revenue	381,624,567	599,818,968	1,050,816,364
Net Income	95,823,000	143,807,000	223,397,000
<i>Discounted</i>			
Revenue*	305,299,654	479,855,174	840,653,091
Net Income**	9,582,300	14,380,700	22,339,700
			* 20% discount
			** 90% discount

Source: My analysis

Again, that's just what CXDC's financial statements would look like if the trend of over reporting revenues and net income in SEC statements had continued. You can view the [2008](#), [2009](#), and [2010](#) SAIC filings by clicking on the years.



37. In response to the report, the price of China XD Plastics securities declined substantially, falling \$1.17 per share or over 15% to close at \$6.48 per share on extremely heavy trading volume on July 10, 2014.

**Applicability of Presumption of Reliance:**  
**Fraud-on-the-Market Doctrine**

38. At all relevant times, the market for China XD Plastics common stock was an efficient market for the following reasons, among others:

(a) China XD Plastics' stock met the requirements for listing, and was listed and actively traded on the OTC Bulletin Board and NASDAQ, both highly efficient and automated markets;

(b) During the class period, hundreds of thousands of shares of China XD Plastics' stock were traded on a weekly basis on average, demonstrating a very strong presumption of an efficient market;

(c) As a regulated issuer, China XD Plastics filed with the SEC periodic reports during the Class Period;

(d) China XD Plastics regularly communicated with public investors via established market communication mechanisms, including through regular disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services;

(e) China XD Plastics was followed by at least one securities analyst employed by a major brokerage firm who wrote reports that were distributed to the sales force and certain customers of his/her brokerage firm during the Class Period. Each of these reports was publicly available and entered the public marketplace;

(f) Numerous FINRA member firms were active market-makers in China XD Plastics stock during the Class Period;

(g) Unexpected material news about China XD Plastics was rapidly reflected and incorporated into the Company's stock price during the Class Period.

39. As a result of the foregoing, the market for China XD Plastics' common stock promptly digested current information regarding China XD Plastics from all publicly available sources and reflected such information in China XD Plastics' stock price. Under these circumstances, all purchasers of China XD Plastics' common stock during the Class Period suffered similar injury through their purchase of China XD Plastics' common stock at artificially inflated prices, and a presumption of reliance applies.

#### **ECONOMIC LOSS/LOSS CAUSATION**

40. The market for China XD Plastics' common stock was open, well-developed and efficient at all relevant times. As a result of these materially false and misleading statements and failures to disclose, China XD Plastics' securities traded at artificially inflated prices during the Class Period. Plaintiffs and other members of the Class purchased or otherwise acquired China XD Plastics' common stock relying upon the integrity of the market price of China XD Plastics's securities and market information relating to China XD Plastics, and have been damaged thereby.

41. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of China XD Plastics' common stock, by publicly issuing false and misleading statements and omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and misleading. Said statements and omissions were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about the Company, its business and operations, as alleged herein.

42. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the damages sustained by Plaintiffs and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false or misleading statements about China XD Plastics' business, prospects and operations. These material misstatements and omissions had the cause and effect of creating in the market an unrealistically positive assessment of China XD Plastics and its business, prospects and operations, thus causing the Company's common stock to be overvalued and artificially inflated at all relevant times. Defendants' materially false and misleading statements during the Class Period resulted in Plaintiffs and other members of the Class purchasing the Company's securities at artificially inflated prices, thus causing the damages complained of herein.

**FIRST CLAIM**  
**Violation of Section 10(b) of**  
**The Exchange Act and Rule 10b-5**  
**Promulgated Thereunder Against All Defendants**

43. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

44. During the Class Period, Defendants carried out a plan, scheme and course of conduct which was intended to and, throughout the Class Period, did: (1) deceive the investing public, including Plaintiff and other Class members, as alleged herein; and (2) cause Plaintiff and other members of the Class to purchase China XD Plastics' securities at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, each of the Defendants took the actions set forth herein.

45. Defendants: (a) employed devices, schemes, and artifices to defraud; (b) made untrue statements of material fact and/or omitted to state material facts necessary to make the

statements not misleading; and (c) engaged in acts, practices, and a course of business that operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially high market prices for China XD Plastics' securities in violation of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder. All Defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

46. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about the business, operations and future prospects of China XD Plastics as specified herein.

47. These Defendants employed devices, schemes, and artifices to defraud while in possession of material adverse non-public information, and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of China XD Plastics' value and performance and continued substantial growth, which included the making of, or participation in the making of, untrue statements of material facts and omitting to state material facts necessary in order to make the statements made about China XD Plastics and its business operations and future prospects in the light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a course of business that operated as a fraud and deceit upon the purchasers of China XD Plastics' securities during the Class Period.

48. Each of the Individual Defendants' primary liability, and controlling person liability, arises from the following facts: (1) the Individual Defendants were high-level executives, directors, and/or agents at the Company during the Class Period and members of the

Company's management team or had control thereof; (2) each of these Defendants, by virtue of his responsibilities and activities as a senior officer and/or director of the Company, was privy to and participated in the creation, development and reporting of the Company's financial condition; (3) each of these Defendants enjoyed significant personal contact and familiarity with the other Defendants and was advised of and had access to other members of the Company's management team, internal reports and other data and information about the Company's finances, operations, and sales at all relevant times; and (4) each of these Defendants was aware of the Company's dissemination of information to the investing public which they knew or recklessly disregarded was materially false and misleading.

49. Defendants had actual knowledge of the misrepresentations and omissions of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts, even though such facts were available to them. Such Defendants' material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of concealing China XD Plastics' operating condition and future business prospects from the investing public and supporting the artificially inflated price of its securities. As demonstrated by Defendants' overstatements and misstatements of the Company's financial condition throughout the Class Period, Defendants, if they did not have actual knowledge of the misrepresentations and omissions alleged, were reckless in failing to obtain such knowledge by deliberately refraining from taking those steps necessary to discover whether those statements were false or misleading.

50. As a result of the dissemination of the materially false and misleading information and failure to disclose material facts, as set forth above, the market price of China XD Plastics' securities was artificially inflated during the Class Period. In ignorance of the fact that market

prices of China XD Plastics' publicly-traded securities were artificially inflated, and relying directly or indirectly on the false and misleading statements made by Defendants, or upon the integrity of the market in which the common stock trades, and/or on the absence of material adverse information that was known to or recklessly disregarded by Defendants but not disclosed in public statements by Defendants during the Class Period, Plaintiff and the other members of the Class acquired China XD Plastics' securities during the Class Period at artificially high prices and were or will be damaged thereby.

51. At the time of said misrepresentations and omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other members of the Class and the marketplace known the truth regarding China XD Plastics' financial results, which was not disclosed by Defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired their China XD Plastics' securities, or, if they had acquired such securities during the Class Period, they would not have done so at the artificially inflated prices that they paid.

52. By virtue of the foregoing, Defendants have violated Section 10(b) of the Exchange Act, and Rule 10b-5 promulgated thereunder.

53. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

54. This action was filed within two years of discovery of the fraud and within five years of each plaintiff's purchases of securities giving rise to the cause of action.

**SECOND CLAIM**  
**Violation of Section 20(a) of**  
**The Exchange Act Against the Individual Defendants**

55. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

56. The Individual Defendants acted as controlling persons of China XD Plastics within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions, agency, ownership and contractual rights, and participation in and/or awareness of the Company's operations and/or intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had the power to influence and control, and did influence and control, directly or indirectly, the decision making of the Company, including the content and dissemination of the various statements that Plaintiff contends are false and misleading. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports, press releases, public filings and other statements alleged by Plaintiff to have been misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or to cause the statements to be corrected.

57. In particular, each of these Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, is presumed to have had the power to control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

58. As set forth above, China XD Plastics and the Individual Defendants each violated Section 10(b), and Rule 10b-5 promulgated thereunder, by their acts and omissions as alleged in this Complaint.

59. By virtue of their positions as controlling persons, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of

Defendants' wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

60. This action was filed within two years of discovery of the fraud and within five years of each Plaintiff's purchases of securities giving rise to the cause of action.

**WHEREFORE**, Plaintiff prays for relief and judgment, as follows:

(a) Determining that this action is a proper class action, designating Plaintiff as Lead Plaintiff and certifying Plaintiff as a class representative under Rule 23 of the Federal Rules of Civil Procedure and Plaintiff's counsel as Lead Counsel;

(b) Awarding compensatory damages in favor of Plaintiff and the other Class members against all Defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

(c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

(d) Such other and further relief as the Court may deem just and proper.

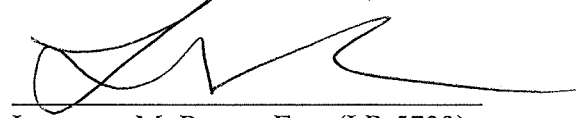
**JURY TRIAL DEMANDED**

Plaintiff hereby demands a trial by jury.

Dated: July 15, 2014

Respectfully submitted,

**THE ROSEN LAW FIRM, P.A.**



Laurence M. Rosen, Esq. (LR 5733)

Phillip Kim, Esq. (PK 9384)

Kevin Chan (KC 0228)

275 Madison Ave, 34th Floor

New York, NY 10016

Phone: (212) 686-1060

Fax: (212) 202-3827



Counsel for Plaintiff

## Certification and Authorization of Named Plaintiff Pursuant to Federal Securities Laws

The individual or institution listed below (the "Plaintiff") authorizes and, upon execution of the accompanying retainer agreement by The Rosen Law Firm P.A., retains The Rosen Law Firm P.A. to file an action under the federal securities laws to recover damages and to seek other relief against China XD Plastics Company. The Rosen Law Firm P.A. will prosecute the action on a contingent fee basis and will advance all costs and expenses. The China XD Plastics Company. Retention Agreement provided to the Plaintiff is incorporated by reference, upon execution by The Rosen Law Firm P.A.

**First name:** sungwan

**Middle initial:**

**Last name:** yang

**Address:**

**City:**

**State:**

**Zip:**

**Country:**

**Facsimile:**

**Phone:**

**Email:**

REDACTED

Plaintiff certifies that:

1. Plaintiff has reviewed the complaint and authorized its filing.
2. Plaintiff did not acquire the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in this private action or any other litigation under the federal securities laws.
3. Plaintiff is willing to serve as a representative party on behalf of a class, including providing testimony at deposition and trial, if necessary.
4. Plaintiff represents and warrants that he/she/it is fully authorized to enter into and execute this certification.
5. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the court.
6. Plaintiff has made no transaction(s) during the Class Period in the debt or equity securities that are the subject of this action except those set forth below:

Acquisitions:

Type of Security	Buy Date	# of Shares	Price per Share
Common Stock	6/5/2014	1000	12.12
Common Stock	6/11/2014	1000	11.01

Sales:

Type of Security	Sale Date	# of Shares	Price per Share
Common Stock	7/7/2014	2000	7.5

**Certification for sungwan yang (cont.)**

---

7. I have not served as a representative party on behalf of a class under the federal security laws during the last three years, except if detailed below. [ ]

I declare under penalty of perjury, under the laws of the United States, that the information entered is accurate:

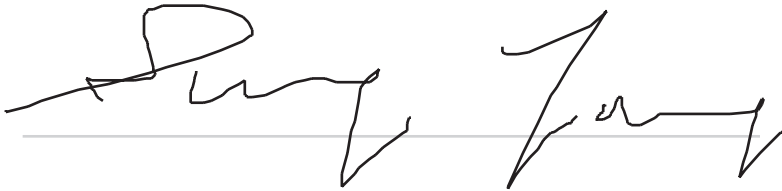
**YES**

By clicking on the button below, I intend to sign and execute this agreement and retain the Rosen Law Firm, P.A. to proceed on Plaintiff's behalf, on a contingent fee basis.

**YES**

Signed pursuant to California Civil Code Section 1633.1, et seq. - and the Uniform Electronic Transactions Act as adopted by the various states and territories of the United States.

Date of signing: 07/10/2014

A handwritten signature in black ink, appearing to read "Sungwan Yang", is written over a horizontal line.